Probe into Post-1985 Defence Deals

608. SHRI GOVINDRAO ADIK: Will the Minister of DEFENCE be pleased to state:

(a) whether it is a fact that Government are going to probe into all the post-1985 defence deals by the Central Vigilance Commissioner, Comptroller and Auditor General and Central Bureau of Investigation to look into the role of middlemen;

(b) if so, the details thereof; and

(c) the amount of money spent so far after the year 1996 upto the years 1999-2000 and the channels of such deals alongwith the names of indigenous and foreign companies through which such deals have been entered into?

THE MINISTER OF DEFENCE (SHRI GEORGE FERNANDES): (a) and (b) With a view to ensure absolute probity in defence procurements and in deference to the suggestions made by the Hon'ble Members of Parliament, the Government has requested the C&AG to carry out a Review/Special Audit of the allegations pertaining to:

(i) excessively and wrongly bought spares that are reportedly lying as junk in various depots,

(ii) alleged irregularities in emergency procurements for Kargil operations, and

(iii) non-transfer of technology, even though contracted and paid for.

For the same reasons, the Government has also requested the Central Vigilance Commission for instituting a probe by the CBI or any other appropriate agency into the following allegations:

(i) involvement of agents/middlemen in major Defence deals after imposition of ban on involvement of agents,

(ii) allegations made during the course of Short Duration Discussion in the Rajya Sabha on 23rd December 1999 regarding irregularities in Defence procurements, and

(iii) allegations made in the writ petition filed by a serving Rear Admiral in the Delhi High Court.

(c) During the financial years 1996-97, 1997-98 and 1998-99 the amount spent on Equipment and Stores is Rs. 18,297.95 crores, Rs. 20,638.01 crores

and Rs. 24,072.61 crores respectively. The Budget Estimates for 1999-2000 provides Rs. 27,964.14 crores. The channels of purchases are through Public Sector Undertakings, Ordnance Factories, indigenous as well as foreign private suppliers and Government owned foreign trading Agencies. The names of idigenous and foreign companies with whom major contracts have been entered into during the past so many years are under process of compilation for submission to C&AG and CVC.

Army Ultimatum for Handing over the Road at Hakimpet

609. DR. Y. LAKSHMI PRASAD: Will the Minister of DEFENCE be pleased to state:

(a) whether Army posted in IEME centre, Secunderabad, issued an ultimatum to hand over 3.5 kilometer stretch of road at Hakimpet;

(b) whether the road connects Karimnagar Highway at Shingaipally; and

(c) if so, whether Government propose to extend the deadline till an alternative to the road is found?

THE MINISTER OF DEFENCE (SHRI GEORGE FERNANDES): (a) and (c) A kachha unmettled track falling in the danger zone of Army Firing Range in Secunderabad connects Karimnagar Highway at Shingaipally. The CRPF is presently using this track. Since use of the track by CRPF is adversely affecting operation of the Firing Range, it has been agreed by CRPF and Government of Andhra Pradesh to construct an alternative road for use of the latter by 30.9.2000. Army has not given any ultimatum for handing over 3.5 km of this track.

Proposal to Buy Tanks from Russia

610. DR. Y. LAKSHMI PRASAD: Will the Minister of DEFENCE be pleased to state:

(a) whether India proposed to buy 300 tanks from Russia;

(b) if so, the details thereof; and

(c) by when the delivery is expected?

THE MINISTER OF DEFENCE (SHRI GEORGE FERNANDES): (a) to (c) There is a proposal for procurement of Tanks from Russia, subject to